

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3070-05
BILL NO.: SCS for SB's 617 & 646
SUBJECT: Anatomical Gift Act
TYPE: Original
DATE: February 8, 2000

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|------------------|------------------|------------------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| Highway Fund | \$0 | \$0 | \$0 |
| Organ Donor Program | \$329,320 | \$404,184 | \$404,184 |
| Total Estimated Net Effect on <u>All</u> State Funds | \$329,320 | \$404,184 | \$404,184 |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| None | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| Local Government | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Professional Registration**, the **Department of Public Safety - Missouri State Highway Patrol**, the **Cooper County Memorial Hospital**, **Department of Transportation** and the **Office of Attorney General** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Health (DOH)** assume no fiscal impact. The increase in the contribution for the organ donation fund would be revenue neutral because individuals may only contribute at the time of license renewal, which has been extended to every six years versus every three years. Therefore, the frequency of the donations would decrease.

Department of Revenue (DOR) officials assume the following administrative and fiscal impacts:

The Drivers License Bureau (DLB) would incur programming expenses to modify the Over-the-Counter system in the amount of \$7,500. These programming changes would include changes to the applicant screen, the verification sheet print routine, and report changes. The current OTC contractor is Polaroid. Polaroid estimates that it will take approximately 60 hours to complete these changes, at \$125 per hour, for a total anticipated cost of \$7,500 in FY01.

REVENUE - Organ Donor Program Fund

Although the driver license renewal period beginning July 1, 2000 will be increased to six years; the additional collection of \$1 for organ donation beginning August 28, 2000 will result in additional funds collected for the Organ Donor Program Fund. Not all licensees will obtain a six year license immediately upon implementation of the change on July 1, 2000. Licensees will renew to a six year license after their three year license has expired. The Drivers License Bureau will continue to renew individuals that currently have a license expiring in FY 01, 02 or 03. In addition, three year licenses will continue to be issued to driver's up until July 1, 2000. As a result, this proposal would increase the amount of donations per year for the first three years and would begin to level off in FY04 and beyond.

The Drivers License Bureau has collected approximately \$33,682 per month for organ donation. It is anticipated that the same number of individuals will continue to donate an additional \$1. Thus, an anticipated increase to the Organ Donation Program Fund would be \$336,820 in FY01 and \$404,184 in FY02 and 03.

ASSUMPTION (continued)

Oversight notes that the fund is to repay the DOR the costs for development and implementation of the contribution program. These costs are reflected in the Highway Fund. Oversight has also reflected a transfer-in from the Organ Donor Program Fund to repay the costs of development and implementation. The proposal states that for the first fiscal year, the Organ Donor Program Fund shall reimburse the DOR for actual operating expenses of the program up to a maximum of \$100,000. For each fiscal year thereafter, the fund shall reimburse the DOR for the actual operating costs of the program in an amount not to exceed the prior year's actual operating costs, on a full fiscal year basis, plus three percent. Therefore, Oversight has calculated the net impact to DOR equal to approximately \$7,500 for FY01 and \$0 for FY02 and FY03 to reflect the reimbursement by the Organ Donor Program Fund.

Oversight sent a fiscal note request to various community hospitals seeking input on any administrative or fiscal impacts on the hospitals by the proposal. Cooper County Memorial Hospital was the only hospital that responded. Oversight assumes that hospitals could experience some administrative tasks relating to this proposal. However, we believe that the functions could be absorbed with existing resources and therefore have shown no fiscal impact to hospitals.

| <u>FISCAL IMPACT - State Government</u> | FY 2001 (10 Mo.) | FY 2002 | FY 2003 |
|---|---------------------|------------|------------|
| HIGHWAY FUND | | | |
| <u>Transfer - In</u> | | | |
| Transfer from Organ Donor Program Fund for Development and Implementation Cost | \$7,500 | \$0 | \$0 |
| <u>Costs - Department of Revenue</u> | | | |
| OTC Programming - Drivers License | (\$7,500) | \$0 | \$0 |
| ESTIMATED NET EFFECT ON HIGHWAY FUND | \$0 | \$0 | \$0 |

| <u>FISCAL IMPACT - State Government</u> | FY 2001 (10 Mo.) | FY 2002 | FY 2003 |
|---|-------------------------|-------------------------|-------------------------|
| ORGAN DONOR PROGRAM FUND | | | |
| <u>Income - Department of Health</u> | | | |
| Additional \$1 donation from licensee | \$336,820 | \$404,184 | \$404,184 |
| <u>Transfer - Out</u> | | | |
| Transfer To Highway Fund for DOR | | | |
| Development and Implementation Costs | (\$7,500) | \$0 | \$0 |
| ESTIMATED NET EFFECT ON ORGAN DONOR PROGRAM FUND | <u>\$329,320</u> | <u>\$404,184</u> | <u>\$404,184</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2001 (10 Mo.) | FY 2002 | FY 2003 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Small Business</u> | | | |

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal modifies the membership and duties of the Organ Donation Advisory Committee and increases contributions to the organ donation program. In Section 194.300, RSMo, the membership of the Advisory Committee is increased by adding a representative from the Department of Revenue. Section 194.302, RSMo, currently describes the duties of the Advisory Committee. New language adds the requirement that the Committee study the feasibility of providing Internet access to the organ donor registry for authorized personnel. The Committee shall provide a report of its findings. Finally, Section 302.171, RSMo, outlines the procedure individuals must follow when applying for a Missouri driver's license. New language increases the amount that an applicant may donate to promote organ donor programs from \$1.00 to \$2.00. An additional Section 302.171, RSMo, is repealed in this act in order to remove a version of this section that will become ineffective on January 1, 2001.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would affect Total State Revenues.

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BILL NO. SCS for SB's 617 & 646
PAGE 5 OF 5
February 8, 2000

SOURCES OF INFORMATION

Department of Health
Department of Revenue
Department of Public Safety
Missouri State Highway Patrol
Office of Attorney General
Department of Transportation
Cooper County Memorial Hospital

NOT RESPONDING: Bothwell Regional Health Center, Golden Valley Memorial Hospital, North Kansas City Hospital, Phelps County Regional Medical Center, University Hospital and Clinics, Sullivan County Memorial Hospital

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is fluid and cursive, with the first name "Jeanne" being more prominent than the last name "Jarrett".

Jeanne Jarrett, CPA
Director
February 8, 2000